

6
JUL 06 2015



MEMORANDUM Transportation & Development – Memo No. TDA16-001

DATE: JULY 6, 2015

TO: MAYOR AND COUNCIL

THRU: MARSHA REED, ACTING CITY MANAGER *MR*
 NACHIE MARQUEZ, ASSISTANT CITY MANAGER *MM*

FROM: R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR *RJZ*

SUBJECT: IMPROVEMENT AGREEMENT (DAKOTA STREET/SAN MARCOS
 PLACE IMPROVEMENTS)

RECOMMENDATION: Staff recommends City Council approve an Improvement Agreement with San Marcos Hotel LLC, for improvements to Dakota Street and San Marcos Place and authorize the Mayor to sign the agreement as approved by the City Attorney.

BACKGROUND: The City desires to acquire property rights from the San Marcos Hotel LLC, to facilitate the construction of Dakota Street from Buffalo Street to Commonwealth Avenue across the hotel property. The roadway is needed for traffic circulation within the developing downtown area. The improvements will include the construction of a new roadway along with on-street parking, lighting and landscaping. The new roadway will be designed, constructed, and maintained at City expense except that the San Marcos Hotel LLC will be responsible for future landscape maintenance along the new roadway. The City shall commence construction of Dakota Street no later than June 30, 2017.

As consideration for the grant of right-of-way necessary to construct Dakota Street, the City agrees to construct, finance, install, and maintain improvements along San Marcos Place adjacent to the hotel property. The improvements will remove approximately eight (8) parking spaces along the west side of San Marcos Place and will be replaced with a landscaped area for outdoor seating within the City's right-of-way. The outdoor seating

Memo No. TDA16-001

July 6, 2015

Page 2

area will provide a buffer to the recently remodeled courtyard on the east side of the hotel. The appraised value of the Dakota Street right-of-way to be dedicated to the City is \$208,000 (\$8.00 per square foot) while the estimated cost of the outdoor seating area is \$112,000. This work shall commence before June 30, 2016, in accordance with this agreement. This proposed project, and the removal of the eight parking spaces, has been vetted with the Downtown Chandler Community Partnership (D.C.C.P.).

In addition, the hotel owners have determined that the installation of the Dakota Street Improvements will require the issuance of a Series 11 Arizona State Liquor License to allow for the continued operation of the hotel, golf course, and wedding venue. Per the terms of the agreement, the City agrees to pay the hotel's initial application costs for the liquor license in an amount not to exceed \$7,500. In addition, the City agrees to reimburse the hotel's Series 11 Liquor License renewal fees up to \$2,500 per year for five years.

FINANCIAL IMPLICATIONS: The cost of improvements is estimated to be \$1,551,850 (includes design and construction of Dakota Street along with the design and construction of the San Marcos Place improvements as consideration for the Dakota Street right-of-way dedication). The project cost also includes an amount up to \$7,500 for the hotel owner's Series 11 Liquor License application. The funds are included in the approved Fiscal Year 2015/2016 Capital Improvement Program. The remaining \$2,000 per year for the liquor license permit will come from the Downtown Redevelopment Operating Budget.

PROPOSED MOTION: Move City Council approve an Improvement Agreement with San Marcos Hotel LLC, for improvements to Dakota Street and San Marcos Place and authorize the Mayor to sign the agreement as approved by the City Attorney.

Attachment: Location Map
Improvement Agreement with exhibits

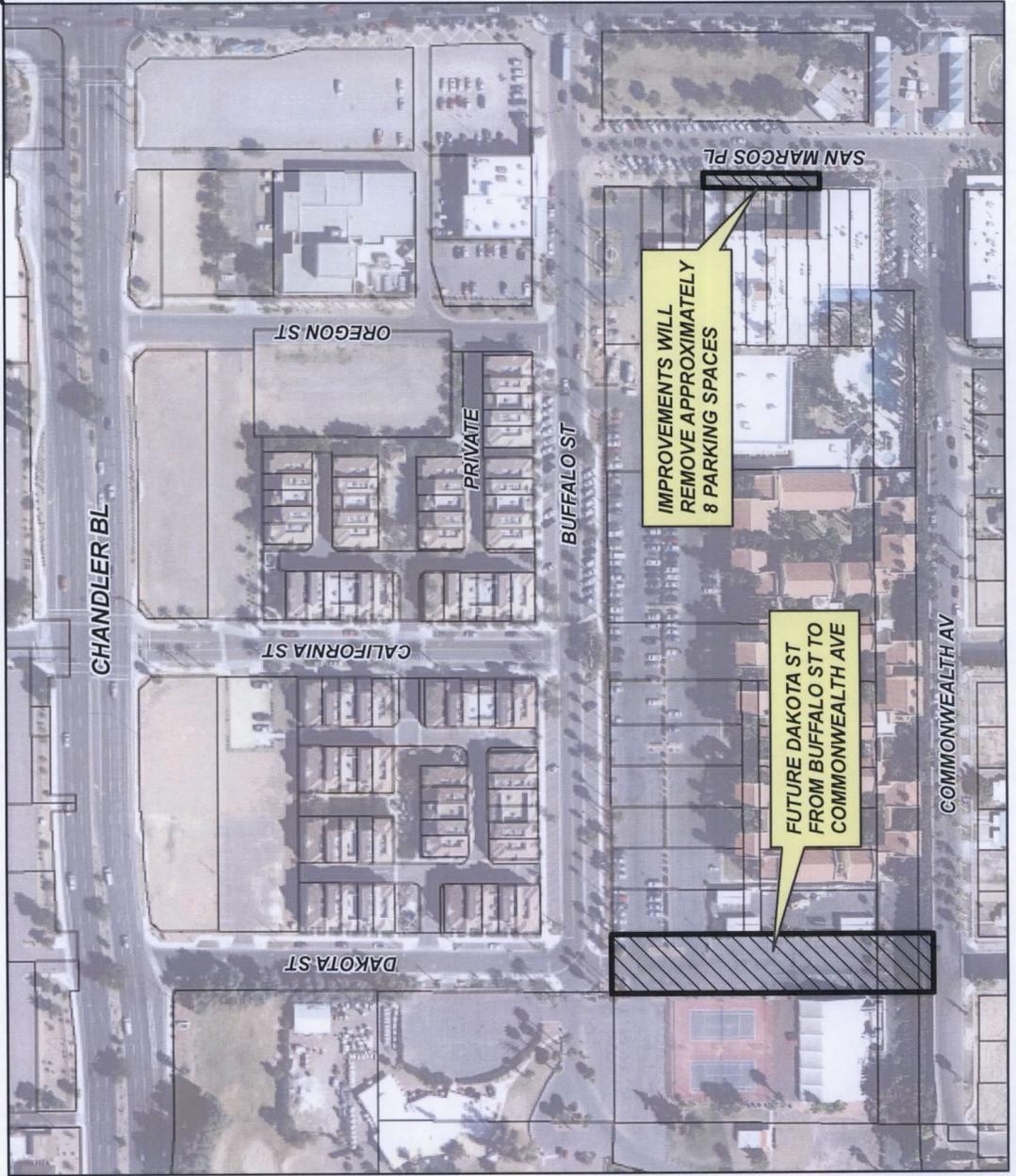


IMPROVEMENT AGREEMENT DAKOTA STREET AND SAN MARCOS PLACE IMPROVEMENTS



MEMO NO. TDA16-001

PROJECT LOCATION



IMPROVEMENTS WILL REMOVE APPROXIMATELY 8 PARKING SPACES

FUTURE DAKOTA ST FROM BUFFALO ST TO COMMONWEALTH AVE



IMPROVEMENT AGREEMENT

(Dakota Street/San Marcos Place Improvements)

This Improvement Agreement (this "Agreement") is made as of this ___ day of _____, 2015 ("Effective Date"), by and between the CITY OF CHANDLER, an Arizona municipal corporation ("City"), and SAN MARCOS HOTEL LLC, a Delaware limited liability company ("Owner"). City and Owner are referred to herein collectively as the "Parties," or individually as a "Party."

RECITALS

A. Owner owns certain real property located in City's downtown area that consists of an assemblage of several land parcels improved and operated as a hotel known as the "San Marcos Hotel," which includes several separate buildings together with related grounds, parking, landscape, hardscape, golf course, tennis courts and other recreational amenities (the "Hotel Property").

B. City desires to, among other things, acquire property rights from Owner in order to (i) facilitate certain public improvements, including the construction of an extension of Dakota Street from Buffalo Street to Commonwealth Avenue through, over and across the Hotel Property, the reconstruction of parking aisles, and the construction and installation of sidewalks, crosswalks, landscaping, and street lights (the "Dakota Street Improvements") and (ii) make improvements to the San Marcos Place public roadway adjacent to the Hotel Property (the "San Marcos Place Improvements").

C. Owner is willing to transfer certain property rights to the City in order to facilitate the construction of the Dakota Street Improvements and the installation of public utilities through portions of the Hotel Property and the construction of certain other public improvements on the terms and conditions more particularly described in this Agreement.

D. City is willing to accept certain property rights and to construct the Dakota Street Improvements, San Marcos Place Improvements and other improvements as more fully discussed herein.

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual promises and covenants set forth herein, the Parties mutually agree as follows:

AGREEMENT

1. Dedication of ROW. No later than five (5) months after the Effective Date of this Agreement, Owner shall at no cost to City, except as otherwise stated herein, convey to the City, to be held in trust for the public, the property as more particularly described and depicted on **Exhibit "A"** ("ROW"). Owner shall convey the ROW by way of an exclusive and perpetual easement in substantially similar form as the attached **Exhibit "B"**.

2. Construction of Dakota Street Improvements. City shall be solely responsible for the design, construction, finance and installation of the Dakota Street Improvements in accordance with the Dakota Street cross-section identified in **Exhibit “C”**. At least thirty days prior to the commencement of construction, City shall submit to Owner, for Owner’s written approval, final plans and specifications for the Dakota Street Improvements (“Improvement Plans”). City shall not commence construction of the Dakota Street Improvements without Owner’s written approval of the Improvement Plans, which approval shall not be unreasonably withheld, conditioned or delayed. In the event Owner fails to approve or otherwise respond to the City in writing in connection with the Improvement Plans within fifteen (15) calendar days of Owner’s receipt of the Improvement Plans, Owner shall be deemed to have approved said Improvement Plans and City may commence construction of the Dakota Street Improvements consistent with the Improvement Plans.

a. Prior to the commencement of construction of the Dakota Street Improvements, Owner shall grant to City a temporary construction easement (“TCE”) in substantially similar form as the TCE attached hereto as **Exhibit “D”**. The Parties agree to cooperate in good faith to determine the TCE easement area necessary to allow the installation of the Dakota Street Improvements.

b. City shall commence construction of Dakota Street no later than June 30, 2017, and shall thereafter diligently pursue construction until final completion.

c. Once constructed, Dakota Street shall be a public roadway reserved for use by the public. City shall be solely responsible for the maintenance and repair of the Dakota Street Improvements except as specifically noted in **Exhibit “C”**. Such maintenance and repair by the City shall include, without limitation, (a) filling of holes in pavement, (b) resurfacing pavement, and (c) repairing the curbs, gutters and any drainage systems installed in connection with the Dakota Street Improvements. Notwithstanding the foregoing, Owner shall be responsible for the maintenance and repair of any stormwater retention or detention facilities installed outside of the Dakota Street right of way and any landscaping installed in connection with the Dakota Street Improvements, including landscaping installed within the Dakota Street right of way. In addition to the improvements identified on **Exhibit “C”** a 6-inch potable water stub will be provided along the east side of, and adjacent to, Dakota Street from an existing City waterline on the west side of the Hotel Property commensurate with, or after completion of the Dakota Street project design. A new backflow prevention device and water meter will also be included in the aforementioned scope of work to be provided by the City at the City’s sole cost and expense.

3. San Marcos Place Improvements; Consideration. As consideration to Owner for the grant of the ROW to the City, City shall, commencing on or before June 30, 2016, at no cost to Owner, design, construct, finance, install and maintain the improvements identified on **Exhibit “E”** along San Marcos Place and adjacent to the Hotel Property (“San Marcos Place Improvements”). City shall maintain the San Marcos Place Improvements and shall be

responsible for all costs associated with said maintenance for so long as the San Marcos Place Improvements are in place or not otherwise discontinued pursuant to this Section 3.. City shall maintain the San Marcos Place Improvements in a substantially similar configuration, type, quantity and quality as originally installed by the City. The Parties acknowledge the San Marcos Improvements are intended to benefit the Hotel Property. Owner shall not obtain an ownership interest in any of the San Marcos Place Improvements and City shall not cause the substantial modification, removal, relocation or destruction of the San Marcos Improvements without first having obtained the written consent of Owner, which said consent may not be unreasonably withheld, conditioned or delayed.

4. General Construction Covenants of City. City shall use its reasonable best efforts to perform its construction activities with respect to the Dakota Street Improvements and the San Marcos Place Improvements during such times as are agreeable to Owner, and so as to minimize the interruption of Owner's operation of the Hotel Property. Prior to the commencement of the Dakota Street Improvements and the San Marcos Place Improvements, City shall deliver to Owner a written schedule of construction specifying the proposed dates for which the construction of the improvements contemplated herein shall be undertaken. Owner shall have thirty (30) days after its receipt of such schedule to approve or modify in writing the proposed construction schedule, which said approval shall not be unreasonably withheld City shall: (i) cause all work to be performed by licensed contractors and with reasonable care; (ii) not create any hazardous condition on the Hotel Property; (iii) repair any damage to the Hotel Property caused by City, its employees, agents, consultants, contractors and subcontractors; and (iv) procure, or have all contractors performing such work maintain general liability and property damage insurance in an amount not less than Two Million and No/100s Dollars (\$2,000,000.00) per occurrence, combined single limit for bodily and personal injury and property damage, and naming Owner as an additional insured, evidence of which shall be delivered to Owner prior to the commencement of any construction activities.

5. Indemnification. City shall indemnify, defend and hold the Hotel Property, Owner, and Owner's shareholders, partners, members, officers, directors, managers, employees, agents and contractors free and harmless from and against any and all losses, claims, liabilities, damages, costs and expenses, including, but not limited to, reasonable attorneys' fees and court costs arising out of or resulting from the City's construction activities described in this Agreement, and the acts or omissions of City, its employees, agents, consultants, contractors and subcontractors while on the Hotel Property in connection with the performance of the work described in this Agreement, including, but not limited to, any claim, loss or liability arising from any property damage, personal injury or liens of any nature.

6. Series 11 Arizona State Liquor License. Owner, in consultation with its legal counsel and without any reliance on any representation made by or on behalf of the City, has determined the installation of the Dakota Street Improvements will require the issuance of a Series 11 Arizona State Liquor License ("Series 11 License") to allow for the continued operation of the hotel, golf course, and wedding venue. While the City is not requiring or expressing any opinion as to the need for a Series 11 Liquor License, City agrees to pay Owner's

initial costs to apply for and procure the Series 11 License from the Arizona Department of Liquor in an amount not to exceed Seven Thousand Five Hundred dollars (\$7,500.00) dollars as part of the consideration for the dedication of the ROW. The City shall remit payment to Owner within thirty (30) days of receipt of the invoice detailing the costs related to the application and procurement of the Series 11 License from the Arizona Department of Liquor. City shall also pay to Owner the annual costs to renew the Series 11 License in an annual amount not to exceed Two Thousand dollars (\$2,000.00) for a period of five (5) years from the date the Series 11 License first issues. The City shall remit payment to Owner within thirty (30) days of receipt of the invoice detailing the annual renewal costs. In the event Owner determines the Series 11 License is not required or the actual costs to procure and renew the License are less than the amounts contained in this Section 6, City shall only be responsible for payment of the lesser of Owner's actual costs incurred in obtaining and/or renewing the Series 11 License or the costs identified in this Section 6. Upon request by City, Owner shall provide City with documentation establishing Owner's actual costs associated with obtaining and renewing the License.

7. Severability. The Parties acknowledge and agree that this Agreement is the product of negotiation and that the Agreement shall not be construed against the principal drafter. If, after the date of this Agreement, any of its provisions are held to be illegal, invalid or unenforceable, such provisions shall be fully severable, and the remainder of this Agreement shall remain enforceable and not affected thereby.

8. Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

9. Litigation Expenses and Attorneys' Fees. In the event of litigation involving this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses incurred in such action from the other party, including without limitation the cost of reasonable attorneys' fees as determine by the judge of the court.

10. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Arizona.

11. Entire Agreement. This Agreement constitutes the entire agreement between the Parties. All terms and conditions contained in any other writings previously executed by the Parties and all prior and contemporaneous arrangements and understandings between the Parties are superseded hereby. No agreements, statements or promises about the subject matter hereof shall be binding or valid unless they are contained herein.

12. Counterparts. This Agreement may be executed by the signing in counterparts. The execution of this instrument by each of the Parties signing a counterpart hereof shall constitute a valid execution, and this instrument and all of its counterparts so executed shall be deemed for all purposes to be a single instrument.

13. Representations. Owner expressly acknowledges it has not relied on any representations from the City regarding any liquor licensing requirements or the enforcement or applicability of any state or local laws relating to the on or off premise possession or

consumption of liquor and how the installation of the Dakota Street Improvements may affect the continued operation of the hotel, golf course or wedding venue.

14. Force Majure. Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, fire, communication line failures, power failures, or earthquakes.

CITY OF CHANDLER, an Arizona
municipal corporation

OWNER: SAN MARCOS HOTEL LLC, a
Delaware limited liability company

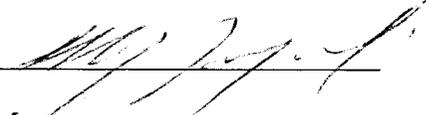
By: _____

By: San Marcos/Interwest LLC, a Delaware
limited liability company, its Manager

Its: _____

By: ICC San Marcos Management LLC,
a Delaware limited liability
company, its Manager

Date: _____

By: 
Its: Manager

Date: June 24, 2015

APPROVED AS TO FORM:

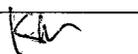
City Attorney 

EXHIBIT A
Legal Description
Dakota Street Right-of-Way

A parcel of land located in the Northeast Quarter of Section 33, Township 1 South, Range 5 East of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northeast Corner of said Section 33, a City of Chandler Brass cap in a handhole, from which the East Quarter Corner of said Section 33, a City of Chandler Brass Cap in a handhole, bears S 00° 37' 18" W, a distance of 2645.96 feet;

THENCE along the East line of said Section 33, S 00° 37' 18" W, a distance of 561.22 feet to the monument line of Buffalo Street as per the Final Plat of "Chandler", a subdivision recorded in Book 5 of Maps, Page 34, Records of Maricopa County, Arizona;

THENCE leaving said East line, along the monument line of said Buffalo Street, S 89° 44' 00" W, a distance of 1170.80 feet to the monument line of Dakota Street;

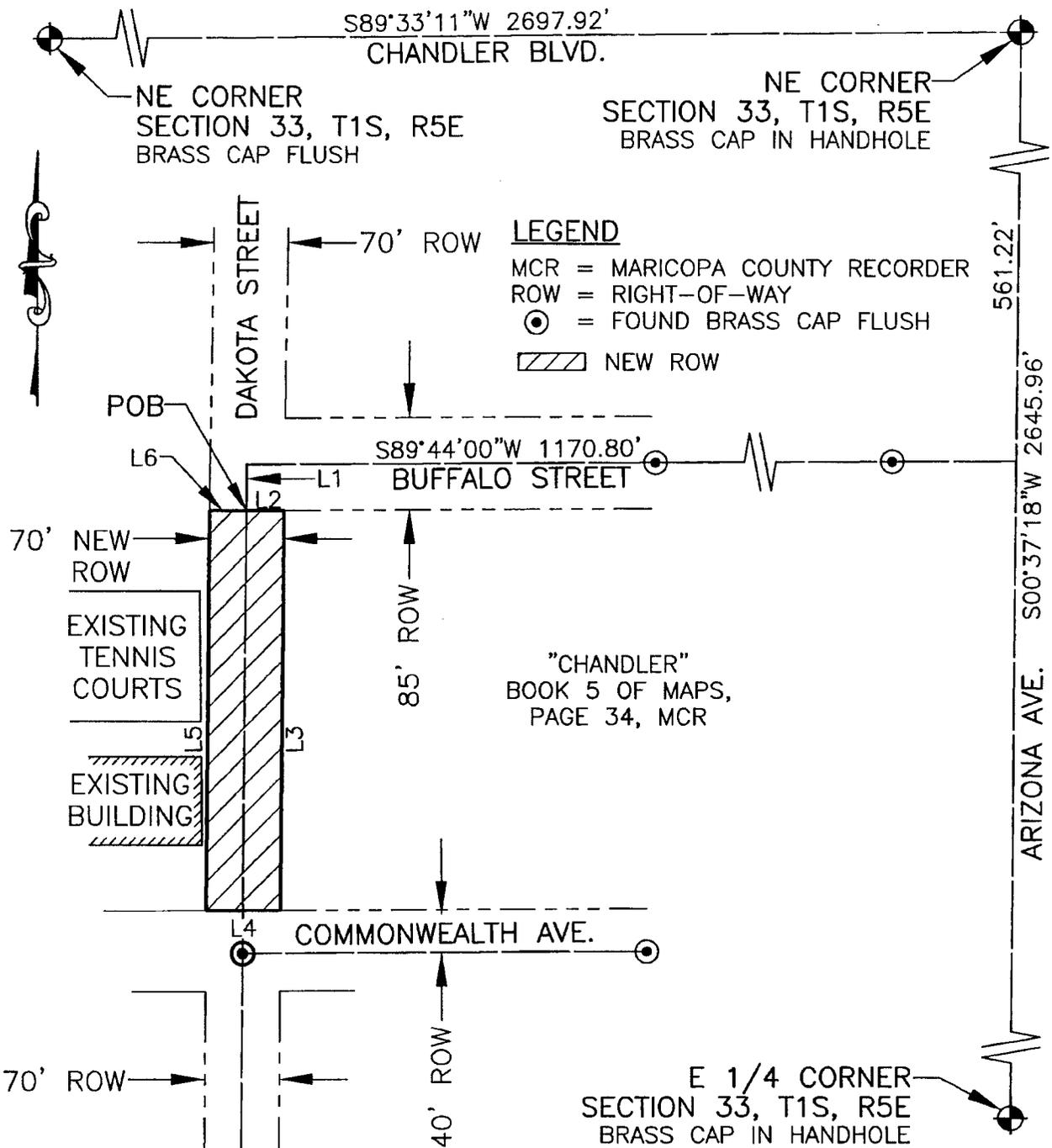
THENCE along said Dakota Street monument line, S 00° 37' 22" W, a distance of 42.50 feet to the Southerly Right-of-Way line of Buffalo Street and the **POINT OF BEGINNING**;

THENCE along said Southerly Right-of-Way line, N 89° 44' 58" E, a distance of 35.00 feet to the Northwest corner of Lot 606 of said Final Plat of "Chandler";

THENCE along the West line of said Lot 606, S 00° 37' 22" W, a distance of 370.46 feet to a point 50.00 feet South of the North Right-of-Way line of Commonwealth Avenue as per said Final Plat of "Chandler";

THENCE parallel with and 50.00 feet South of said North Right-of-Way line, S 89° 44' 58" W, a distance of 70.00 feet to a point 50.00 feet South of the Southeast corner of Lot 603 of said Final Plat of "Chandler";

THENCE along the East line of said Lot 603 and its prolongation, N 00° 37' 22" E, a distance of 370.46 feet to the Northeast corner of Lot 604 of said Final Plat of "Chandler";



LEGEND
 MCR = MARICOPA COUNTY RECORDER
 ROW = RIGHT-OF-WAY
 ⊙ = FOUND BRASS CAP FLUSH
 ▨ = NEW ROW



EXPIRES: 9/30/15

ROW EXHIBIT

AZTEC ENGINEERING
 4561 E. McDowell Rd., Phoenix, AZ 85008
 Tel(602)454-0402 Fax(602)454-0403
 website: www.aztec.us

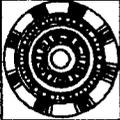
DR: CWH	CK: ADR	SHEET NO.	TOTAL SHEETS
DATE: 3-11-15	REV:	1	2
SCALE: N/A			

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S00°37'22"W	42.50'
L2	N89°44'58"E	35.00'
L3	S00°37'22"W	370.46'
L4	S89°44'58"W	70.00'
L5	N00°37'22"E	370.46'
L6	N89°44'58"E	35.00'

AREA = 25,932 SQ.FT. (0.60 AC.) MORE OR LESS



EXPIRES: 9/30/15

ROW EXHIBIT			
		AZTEC ENGINEERING 4561 E. McDowell Rd., Phoenix, AZ 85008 Tel(602)454-0402 Fax(602)454-0403 website: www.aztec.us	
DR: CWH	CK: ADR	SHEET NO.	TOTAL SHEETS
DATE: 3-11-15	REV:	2	2
SCALE: N/A			

When recorded, mail to:
City of Chandler
City Clerk
Mail Stop 606, P.O. Box 4008
Chandler, AZ 85244-4008

This document is exempt from Affidavit and Fee requirements pursuant to A.R.S. §11-1134.A.2.

**ROADWAY AND UTILITY EASEMENT
(Dakota Street Extension)**

SAN MARCOS HOTEL LLC, a Delaware limited liability company (“Grantor”), for and in consideration of the sum of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to the CITY OF CHANDLER, an Arizona municipal corporation, its employees, agents, contractors, subcontractors, invitees, licensees and permittees, and its and their respective successors and assigns (collectively, “Grantee”), an exclusive, perpetual easement in, on, over, under, across and through that certain real property situated in Maricopa County, Arizona, more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “Easement Property”), for public roadway and utility purposes, including, but not limited to, the construction, installation, operation, maintenance, repair, replacement, removal and reinstallation of: (a) public roadway improvements, including without limitation, surface parking areas, driveways, roadways, streets, sidewalks, curbs and gutters, landscaping, irrigation lines, street lighting and traffic signalization on the surface of the Easement Property (the “Improvements”); and (b) structures, facilities and appurtenance that are part of or related to municipal utility services provided by Grantee, or those public or private utility services licensed, permitted or otherwise authorized in writing by Grantee to be situated in public roadway under Grantee’s jurisdiction, whether situated underground or aboveground (the “Facilities”), as Grantee may from time to time deem necessary or appropriate.

Subject to the provisions set forth herein, Grantor reserves the right to use and occupy the Easement Property for any purpose consistent with the rights and privileges above granted, provided, however, that such use shall not unreasonably interfere with Grantee’s right and ability to access and use the Easement Property for the purposes stated herein, or the Improvements or Facilities referenced herein, or otherwise endanger any such Improvements and Facilities or the use thereof. The rights granted herein to Grantee under this Roadway and Utility Easement do not under any circumstances abrogate or nullify Grantor’s rights and interests in and to its property. This Roadway and Utility Easement does not provide to Grantee any right to the property described herein that is superior to Grantor’s rights and interests in and to its property.

Grantee shall indemnify, release, and hold harmless Grantor and the directors, officers, employees, agents, successors and assigns thereof, against and from any damage claim, demand, lawsuit or action of any kind for damages or loss, whether such damage or loss is to person or property, arising in whole or in part out of: (a) negligent or otherwise wrongful acts or omissions of Grantee, its agents, contractors, officers, directors, or employees; (b) Grantee's use or

occupancy of the Easement Property for the purposes contemplated by this Roadway and Utility Easement, including but not limited to claims by third parties who are invited or permitted onto the Easement Property, either expressly or impliedly, by Grantee or by the nature of Grantee's improvement or other use of the Easement Property pursuant to this Roadway and Utility Easement; or (c) Grantee's failure to comply with or fulfill its obligations established by this Roadway and Utility Easement or by law. Such obligation to indemnify shall extend to and encompass all costs incurred by Grantor in defending against such claims, demands, lawsuits or actions, including but not limited to attorney, witness and expert fees, and any other litigation related expenses. Grantee's obligation hereunder shall not extend to claims, demands, lawsuits or actions for liability attributable to the gross negligence or willful action of Grantor, its directors, officers, employees, agents, successors or assigns.

Grantee, at its own expense, shall maintain all of the Easement Property in reasonably good, sanitary and safe condition.

This Roadway and Utility Easement is subject to all existing encumbrances of record, including easements and licenses. Grantor consents only to the use of the Easement Property for the specific purposes described herein. Nothing in this document shall be construed as Grantor's representation, warranty, approval or consent regarding rights in the Easement Property. Grantee shall indemnify and hold Grantor harmless from any liability arising out of any dispute or claim regarding actual or alleged interests in the Easement Property affecting Grantee's interests created herein.

Grantee acknowledges and agrees that neither Grantor nor any other person acting on Grantor's behalf has made and does not make any representations whatsoever as to the physical condition or any other matter or thing affecting or relating to any of the Roadway Easement Property.

If Grantee abandons the use of all or any part of the Easement Property, Grantee's rights hereunder to the part or the property abandoned shall cease and the property shall revert to Grantor.

This Roadway and Utility Easement shall be construed according to the laws of the State of Arizona. In the event action is necessary to enforce the terms of the Roadway and Utility Easement the prevailing party shall be entitled to recover its attorneys' fees and costs.

This Roadway and Utility Easement has been duly and validly authorized, executed and delivered by Grantor and no other action is requisite to the valid and binding execution, delivery and performance of this Roadway and Utility Easement by Grantor. No consents or waivers of or by any third party are necessary to permit the consummation by Grantor of the transactions contemplated pursuant to this Roadway and Utility Easement. The individual signing this Roadway and Utility Easement on behalf of Grantor has full power and authority to execute this Roadway and Utility Easement on behalf of Grantor.

IN WITNESS WHEREOF, Grantor has executed and delivered this Roadway and Utility Easement as of the day and year first written above.

EXHIBIT A
Legal Description
Dakota Street Right-of-Way

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THENCE along the East line of said Section 33, S 00° 37' 18" W, a distance of 561.22 feet to the monument line of Buffalo Street as per the Final Plat of "Chandler", a subdivision recorded in Book 5 of Maps, Page 34, Records of Maricopa County, Arizona;

THENCE leaving said East line, along the monument line of said Buffalo Street, S 89° 44' 00" W, a distance of 1170.80 feet to the monument line of Dakota Street;

THENCE along said Dakota Street monument line, S 00° 37' 22" W, a distance of 42.50 feet to the Southerly Right-of-Way line of Buffalo Street and the **POINT OF BEGINNING**;

THENCE along said Southerly Right-of-Way line, N 89° 44' 58" E, a distance of 35.00 feet to the Northwest corner of Lot 606 of said Final Plat of "Chandler";

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THENCE parallel with and 50.00 feet South of said North Right-of-Way line, S 89° 44' 58" W, a distance of 70.00 feet to a point 50.00 feet South of the Southeast corner of Lot 603 of said Final Plat of "Chandler";

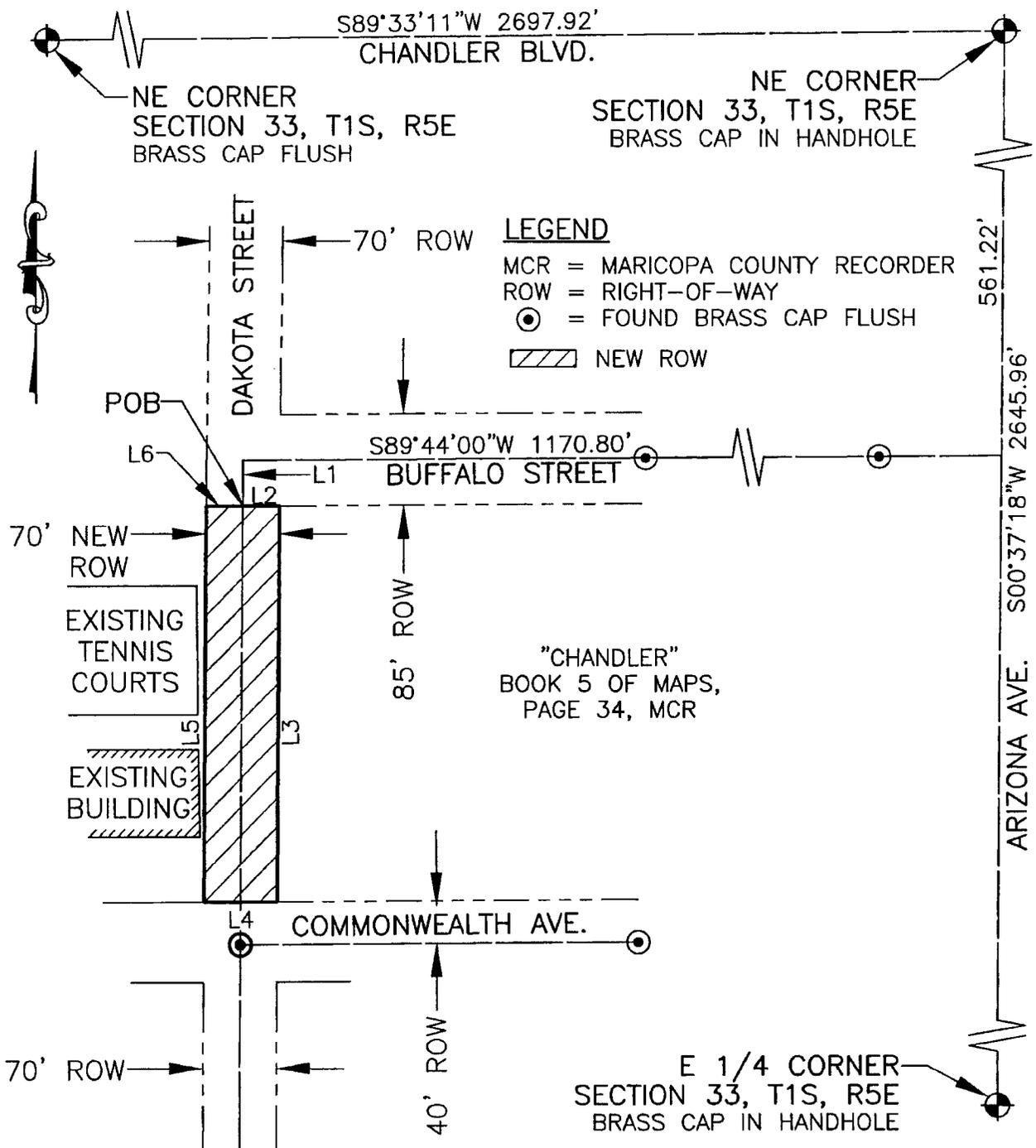
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THENCE leaving said East line, N 89° 44' 58" E, a distance of 35.00 feet to the **POINT OF BEGINNING**.

Containing 25,932 sq. ft. (0.60 Ac.) ±.



Expires: 09/30/15

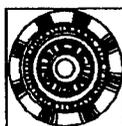


LEGEND
 MCR = MARICOPA COUNTY RECORDER
 ROW = RIGHT-OF-WAY
 ⊙ = FOUND BRASS CAP FLUSH
 ▨ = NEW ROW

"CHANDLER"
 BOOK 5 OF MAPS,
 PAGE 34, MCR



EXPIRES: 9/30/15

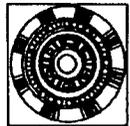
ROW EXHIBIT			
 AZTEC ENGINEERING 4561 E. McDowell Rd., Phoenix, AZ 85008 Tel(602)454-0402 Fax(602)454-0403 website: www.aztec.us			
DR: CWH	CK: ADR	SHEET NO.	TOTAL SHEETS
DATE: 3-11-15	REV:	1	2
SCALE: N/A			

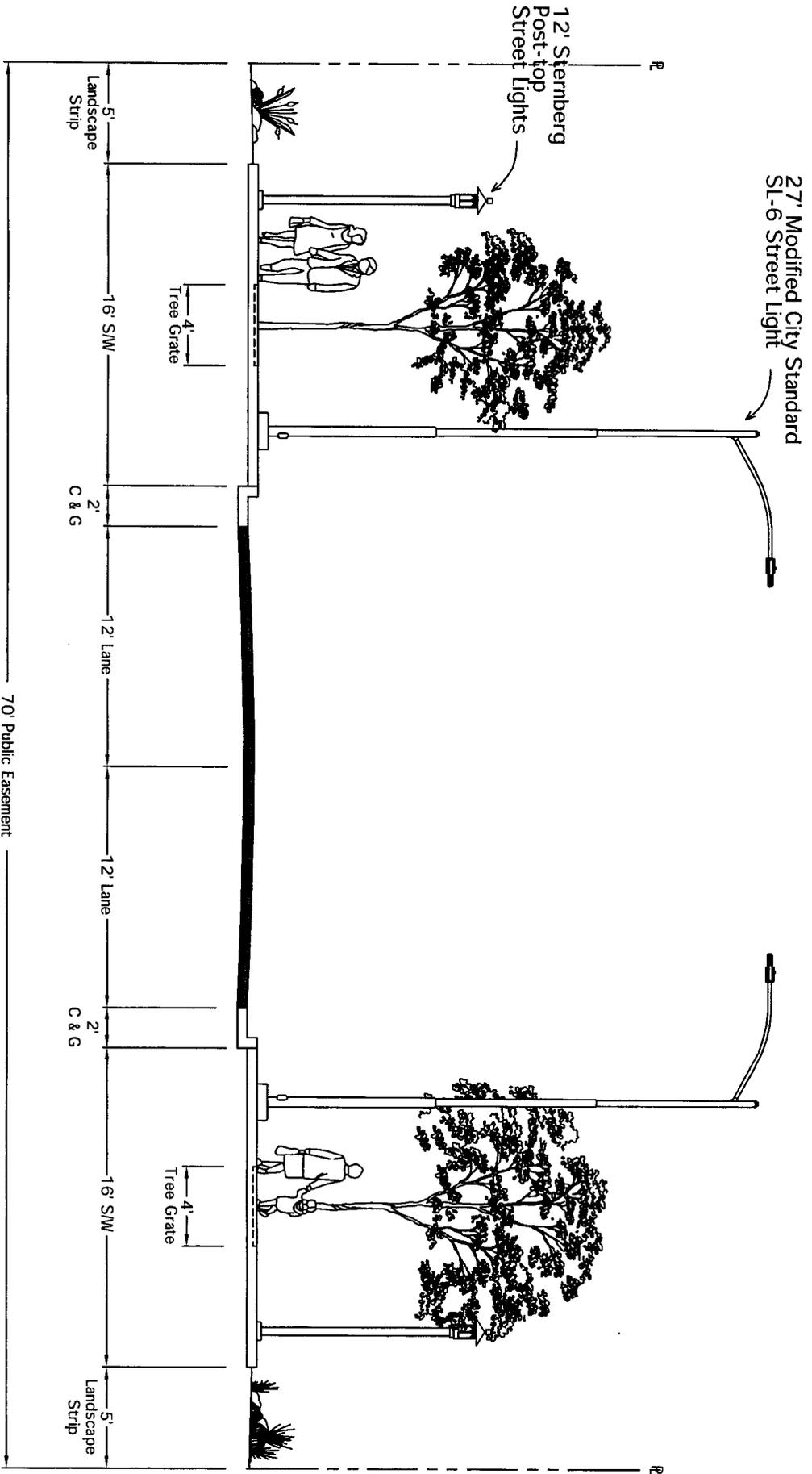
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EXPIRES: 9/30/15

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DR: CWH	CK: ADR	SHEET NO.	TOTAL SHEETS
DATE: 3-11-15	REV:	2	2
SCALE: N/A			



DAKOTA STREET CONNECTION
 (Buffalo St to Commonwealth Ave)

Exhibit C

Existing All-Way Stop

W Buffalo

Reconstruct parking aisles, and add new landscaping.

New road, sidewalk, street lights, and landscaping.

Raised Crosswalk

Reconstruct parking aisles, and add new landscaping.

New sidewalk, landscaping, and crosswalk.

New sidewalk, landscaping, and parking spaces.

W Commonwealth Ave



When recorded, mail to:
City of Chandler
City Clerk
P.O. Box 4008, Mail Stop 606
Chandler, AZ 85244-4008

APN: - -
Section , Township , Range

This document is exempt from Affidavit and Fee requirement pursuant to A.R.S. § 11-1134(A)(2).

TEMPORARY CONSTRUCTION EASEMENT

For and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt of which is hereby acknowledged,

("Grantor"), does hereby grant and convey to the CITY OF CHANDLER, an Arizona municipal corporation ("Grantee"), a Temporary Construction Easement in connection with the construction of (i) an extension of Dakota Street from Buffalo Street to Commonwealth Avenue in Chandler, Arizona through, over and across the San Marcos Hotel ("Extension"), (ii) the reconstruction of parking aisles, and the construction and installment of sidewalks, crosswalks, landscaping and street lights related to the Extension and (iii) improvements to San Marcos Place public roadway adjacent to the San Marcos Hotel (collectively, the "Project"). The purpose of this Temporary Construction Easement is to allow Grantee, its agents, contractors and assigns, to use the property, as described herein, for the improvement of the Project. This Temporary Construction Easement shall be on, over, and across that certain real property situated in Maricopa County, Arizona, and more particularly described in Exhibit "A", attached hereto and made a part hereof by this reference (the "Easement Property").

The term of this easement shall be 365 days, commencing on and ending on . In the event completion of the Project occurs earlier than the full term of this easement, Grantee may terminate the easement by written notice to Grantor.

Grantor covenants to and with Grantee and its assigns that he is lawfully seized and possessed of the Easement Property, that Grantor has good and lawful right to grant said easement interest, and that Grantor warrants and will defend the title to said easement interest against all claims and demands.

Grantee shall repair and restore the Easement Property to a like or equivalent condition as existed prior to the construction activity and shall indemnify, defend and hold harmless Grantor and Grantor's shareholders, partners, members, officers, directors, managers, employees, agents

from and against any and all losses, claims, liabilities, damages, costs and expenses, including, but not limited to, reasonable attorneys' fees and court costs arising out of or resulting from Grantee's use of the Easement Property or the acts or conduct of Grantee's employees, agents, contractors, subcontractors, consultants and assigns. Grantee shall procure, or have all contractors performing such work maintain general liability and property damage insurance in an amount not less than Two Million and No/100s Dollars (\$2,000,000.00) per occurrence, combined single limit for bodily and personal injury and property damage, and naming Grantor as an additional insured, evidence of which shall be delivered to Owner prior to the commencement of any use of the Easement Property.

DATED this _____ day of _____, 2015

GRANTOR:

SAN MARCOS HOTEL LLC, a Delaware limited liability company

By: San Marcos/Interwest LLC, a Delaware limited liability company, its Manager

By: ICC San Marcos Management LLC, a Delaware limited liability company, its Manager

By: _____
Shahyar Zayanderoudi, Manager

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

)ss.

County of San Diego

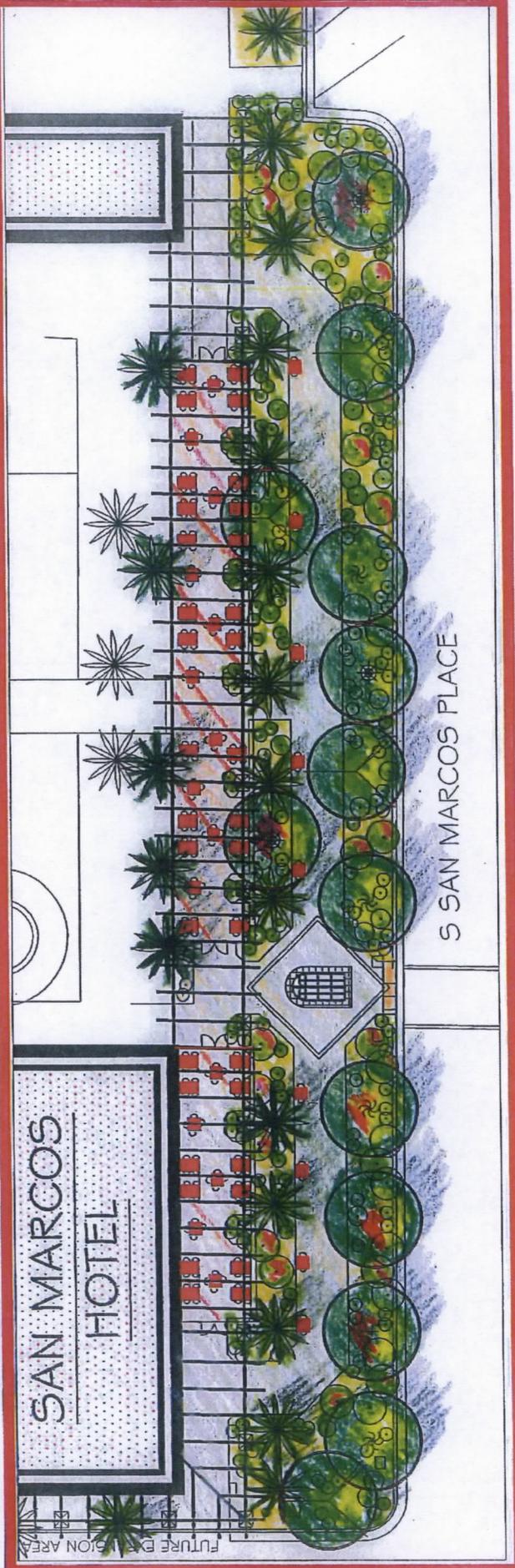
On _____, before me, _____ personally appeared Shahyar Zayanderoudi, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized

capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



S SAN MARCOS PLACE

FUTURE DEVELOPMENT AREA



NOT TO SCALE

CONCEPTUAL SITE PLAN

SAN MARCOS HOTEL

SITE IMPROVEMENTS

SCHEME B REVISED



Chandler + Arizona
Where Values Make The Difference
 CITY OF CHANDLER
 STREETS DIVISION
 MS909, POB 4008
 CHANDLER, AZ 85244
 DRAWN BY: BART BROWN
 DATE: MAY 1, 2015
 REVISED: JUNE 4, 2015